

MINUTES

PCF OVERSIGHT BOARD

December 6, 2012

OUR LADY OF THE LAKE REGIONAL MEDICAL CENTER
BATON ROUGE, LA.

Mr. Clark Cossé, Chairman convened the meeting of the Patient's Compensation Fund Oversight Board, at 6:30 PM on Thursday December 6, 2012.

The following Board Members were in attendance:

Mr. Clark Cossé, Chairman	Dr. Melanie Firmin-McMullen
Mr. Kent Guidry	Dr. Katharine Rathbun
Dr. Patrick Breaux	Mr. Joe Donchess

The following Board members were absent:

Mr. James Hritz	Mr. Manuel DePascual	Dr. Van Culotta
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Others present:

Mr. Ken Schnauder	Mr. Dave Woolridge	Mr. Greg Waddell
Ms. Barbara Woodard	Mr. Larry Warren	Ms. Betty Patrick
Ms. Shelly Fowler	Mr. Adam Thames	Ms. Annette Drodgy

Mr. Cossé called the meeting to order and asked that the record reflect six Board Members were in attendance and a quorum was present. Mr. Cossé welcomed the guests to the meeting and asked all present to introduce themselves.

Mr. Cossé asked for public comments or questions. No public comments were made.

Mr. Cossé called for the approval of the November 1, 2012 minutes. Dr. Rathbun moved for the minutes to be approved and Dr. Breaux seconded the motion. By verbal vote, the minutes were adopted with no dissenting votes.

Mr. Cossé asked for information regarding the proposed PCF receptionist position. Mr. Schnauder informed the Board that the agency never had a true receptionist position. This position 100% of the time would answer the toll free telephone and main line, greet the visitors to the building, issue visitor badges, process mail and perform other duties as needed. This position is needed because the employee who currently performs those tasks also has other duties requiring undivided attention. He said the annual gross salary and benefits would be approximately \$27,000 and there were sufficient funds in the budget for this position.

Mr. Cossé called for the approval of the receptionist position. Mr. Donchess motioned for the position to be approved and Dr. Firmin-McMullen seconded the motion. By verbal vote, the receptionist position was approved with no dissenting votes.

Mr. Cossé called for discussion of the Material Risk and Medical Disclosure Panel. He said the Panel was a public body and that a staff member or Board member could be sent to observe proceedings on behalf of the PCF. Mr. Cossé said he had confidence in the Medical Society and asked Mr. Greg Waddell to keep the PCF informed as to the developments.

Mr. Cossé asked for the financial reports. Ms. Woodard informed the Board that the fund balance for the FY to date was approximately \$767,110,361, the total net collected in surcharge payments to date was approximately \$58,273,724, the total net filing fees collected to date were \$108,000, the total interest earned to date was \$4,745,998, the total operating expenses to date were \$1,723,127, and the claims expenses to date were \$28,556,848. There were no questions asked and no public comments made.

Mr. Cossé called for discussion and approval of the proposed FY 2013-14 Budget. Ms. Woodard presented the FY '14 Budget and explained that this budget was a continuation budget and there was little change from the current fiscal year budget. The category of related benefits did increase due to the higher percentage that state agencies are required to contribute. Mr. Guidry moved to approve the Budget and Dr. Breaux seconded the motion. By verbal vote, the PCF Operating FY 2013-14 Budget was approved with no dissenting votes.

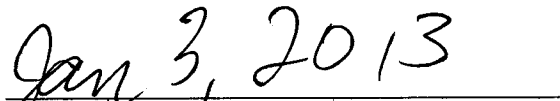
Mr. Cossé asked for an update regarding the PCF Investment Portfolio. Mr. Schnauder informed the Board that the first installment purchase of the Vanguard Total Stock Market Index Fund had been completed, that a total of \$2.75 million was transferred from the PCF checking account to Vanguard to make the fund purchase, and that monthly purchases will be made on the 15th of each month until the goal of \$49,500,000 has been met. At the last meeting Wells Fargo was approved as Custodian; the agency should have the contract finalized by February 1, 2013. Matt Padberg of Cardinal Investments will attend the January Board meeting to discuss alternative investment considerations given the lengthy process of hiring money managers via an RFP process.

Mr. Cossé asked for the claims report. Mr. Schnauder informed the Board that November had been a quiet month. There were 78 claims opened and 97 claims closed, ending the month with a total pending claim count of 4,883. The total judicial interest paid during the month was \$0 and \$128,436 in legal fees and expenses were paid. Mr. Schnauder presented 33 claims for settlement approval in the amount of \$14,417,436. There were no questions asked and no public comments made.

Mr. Cossé asked if there were any questions or comments from the public. There were none. Mr. Cossé thanked the guests for attending the meeting. There being no further general business to discuss, General Session was adjourned. Dr. Breaux then made a motion for the Board to

move into the Executive Session and Dr. Rathbun seconded the motion. The verbal vote was unanimous and the Board moved into Executive Session to discuss matters of litigation.


Mr. Clark Cossé III, J.D., Chairman


Date